



MEETING OF THE MILPITAS CITY COUNCIL AGENDA

TUESDAY, JANUARY 6, 2015
455 EAST CALAVERAS BOULEVARD
MILPITAS, CA
7:00 P.M.



SUMMARY OF CONTENTS

- I. CALL TO ORDER by the Mayor (7:00 p.m.)**
- II. PLEDGE OF ALLEGIANCE (7:00 p.m.)**
- III. INVOCATION (Mayor Esteves)**
- IV. APPROVAL OF COUNCIL MEETING MINUTES – December 16, 2014**
- V. SCHEDULE OF MEETINGS – COUNCIL CALENDAR – January 2015**
- VI. PRESENTATION**
 - > Certificate to Christine Ma, local winner of 2014-15 Lions Club International Peace Poster Contest
- VII. PUBLIC FORUM**

Members of the audience are invited to address the Council on any subject not on tonight's agenda. Speakers must come to the podium, state their name and city of residence for the Clerk's record, and limit their remarks to three minutes. As an item not listed on the agenda, no response is required from City staff or the Council and no action can be taken. However, the Council may instruct the City Manager to place the item on a future meeting agenda.

- VIII. ANNOUNCEMENTS**
- IX. ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS**
- X. APPROVAL OF AGENDA**
- XI. CONSENT CALENDAR (Items with asterisks*)**

Consent calendar items are considered to be routine and will be considered for adoption by one motion. There will be no separate discussion of these items unless a member of the City Council, member of the audience, or staff requests the Council to remove an item from or be added to the consent calendar. Any person desiring to speak on any item on the consent calendar should ask to have that item removed from the consent calendar. If removed, this item will be discussed in the order in which it appears on the agenda.

- XII. PUBLIC HEARINGS**
 - 1. Conduct a Public Hearing on 2015 Weed Abatement Program and Adopt a Resolution Directing the Abatement Program (Staff Contact: Albert Zamora, 408-586-3371)**
 - 2. Conduct a Public Hearing and Adopt a Resolution Approving Vesting Tentative Map, Conditional Use Permit, Site Development Permit and Planned Unit Development for 25 Unit Residential Subdivision at 75 S. Milpitas Boulevard (Staff Contact: Shaunn Mendrin, 408-586-3278)**

3. **Conduct a Public Hearing and Adopt a Resolution Approving a General Plan Amendment to Create a “Greenhouse Gas Emissions Reduction Strategy” Section within the Land Use Element of the City’s General Plan Relating to the Adopted Climate Action Plan (Staff Contact: Adam Petersen, 408-586-3274)**

XIII. UNFINISHED BUSINESS

- * 4. **Receive the Monthly Update of the Odor Control Report (Staff Contact: Steven Machida, 408-586-3355)**

XIV. REPORTS OF MAYOR

- * 5. **Consider Mayor’s Recommendations for Re-appointments and Appointments to Milpitas Commissions including Planning Commission (Contact: Mayor Esteves, 408-586-3029)**
- * 6. **Approve Mayor’s Recommendation for Staff Alternates to Voting Members on the Milpitas Oversight Board (Staff Contact: Mary Lavelle, 408-586-3001)**

XV. NEW BUSINESS

- * 7. **Approve a New Capital Improvement Program Project for Main Street Pavement Reconstruction, a Budget Appropriation and Authorize the City Manager to Execute a Consultant Agreement with HMH Engineers for Project No. 4277 (Staff Contact: Steve Erickson, 408-586-3301)**

XVI. RESOLUTIONS

- * 8. **Adopt a Resolution Granting Final Acceptance of the 2013 Sound Wall Renovation Project No. 4267 (Staff Contact: Steve Erickson, 408-586-3301)**
- * 9. **Adopt a Resolution Approving Appraisal Reports and Establishing the Fair Market Value of an Acre of Land for the Purpose of Calculating Park In-Lieu Fees for Areas Outside the Transit Area and Midtown Specific Plans and for Areas Inside the Transit Area Specific Plan and Midtown Specific Plan (Staff Contact: Adam Petersen, 408-586-3274)**

XVII. AGREEMENTS

- * 10. **Approve a Consultant Agreement with Cannon Design Group, Inc. to Provide Design Review Services on an As-Needed Basis (Staff Contact: Steven McHarris, 408-586-3273)**
- * 11. **Approve Consultant Agreements with EOA Inc. and CSG Consultants, Inc. for Third Party Review of Development Projects for Compliance with the Municipal Regional Permit Provision C.3 for an Annual Amount Not-To-Exceed \$60,000 Each and Approve a Budget Appropriation (Staff Contact: Steven Machida, 408-586-3355)**

XVIII. ADJOURNMENT

**NEXT REGULARLY SCHEDULED COUNCIL MEETING
TUESDAY, JANUARY 20, 2015**

KNOW YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and the City operations are open to the people's review. For more information on your rights under the Open Government Ordinance or to report a violation, contact the City Attorney's office at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035
e-mail: mogaz@ci.milpitas.ca.gov / Phone: 408-586-3040

The Open Government Ordinance is codified in the Milpitas Municipal Code as Title I Chapter 310 and is available online at the City's website www.ci.milpitas.ca.gov by selecting the Milpitas Municipal Code link.

Materials related to an item on this agenda submitted to the City Council after initial distribution of the agenda packet are available for public inspection at the City Clerk's office at Milpitas City Hall, 3rd floor 455 E. Calaveras Blvd., Milpitas and on the City website.

All City Council agendas and related materials can be viewed online here:
www.ci.milpitas.ca.gov/government/council/agenda_minutes.asp (select meeting date)

APPLY TO SERVE ON A CITY COMMISSION

Seeking Applications for:
Recycling and Source Reduction Advisory Commission (MUSD member)
Veterans Commission

SPECIAL NEW for 2015:
Campaign Finance Reform Committee – contact City Clerk

Commission application forms are available online at www.ci.milpitas.ca.gov or at Milpitas City Hall. Contact the City Clerk's office at 408-586-3003 for more information.

If you need assistance, per the Americans with Disabilities Act, for any City of Milpitas public meeting, call the City Clerk at 408-586-3001 or send an e-mail to mlavelle@ci.milpitas.ca.gov prior to the meeting. You may request a larger font agenda or arrange for mobility assistance. For hearing assistance, headsets are available in the City Council Chambers for all meetings in that facility.

AGENDA REPORTS

XII. PUBLIC HEARINGS

1. Conduct a Public Hearing on 2015 Weed Abatement Program and Adopt a Resolution Directing the Abatement Program (Staff Contact: Albert Zamora, 408-586-3371)

Background: At its meeting of December 2, 2014, the City Council adopted Resolution No. 8428 declaring weeds on certain described properties to be a public nuisance, and set a public hearing for January 6, 2015 to hear objections. A copy of the resolution was forwarded to the Santa Clara County Agricultural Commissioner. A notice for the public hearing was published in the local newspaper and property owners mailed a notice of the proposed abatement by the County. The purpose of the public hearing is for any owners who object to the removal of the weeds to state their objections before the weeds are removed and the costs made a lien upon their property.

Included in the agenda packet is a list of properties to be abated following the draft resolution directing the County Agricultural Commissioner to abate the weeds.

Recommendations:

1. Open the Public Hearing for comments; and, then move to close the Public Hearing.
2. Adopt a resolution directing the County Agricultural Commissioner to abate the nuisance, keep an account of the cost, and embody such account in a report and assessment list to the City Council in accordance with the Milpitas Municipal Code.

2. Conduct a Public Hearing and Adopt a Resolution Approving Vesting Tentative Map, Conditional Use Permit, Site Development Permit and Planned Unit Development for 25 Unit Residential Subdivision at 75 S. Milpitas Boulevard (Staff Contact: Shaunn Mendrin, 408-586-3278)

Background: The proposed project is a request to develop an existing 1.26 acre site with 25 townhouses including five live-work units (three facing South Milpitas Boulevard and two along the entry driveway). The townhouses are three stories with a ground floor garage and two levels above. The live-work units on South Milpitas Boulevard (Building 801) will have the live-work area located on the ground floor, generally level with the sidewalk. Attachment G includes the Zoning Code requirements for Live-Work Units for reference. The back two buildings (802 and 902) will have the live-work main level located at the paseo level. The proposed project also includes guest parking at the rear of the property and two accessible spaces. Site landscaping will be provided in the remaining open areas and will include trees, shrubs and other planting appropriate for stormwater treatment areas. The street frontage will be enhanced to include an 8-foot wide sidewalk and street tree wells with tree grates.

The Planning Commission conducted a public hearing on December 10, 2014 and adopted a resolution recommending that the City Council approve the Site Development Permit, Planned Unit Development and Vesting Major Tentative Map for the 25 townhouse development.

Public Benefit Since the Planning Commission meeting, the applicant has offered to enhance the public benefit of the project. The applicant proposes to fund a professional landscape architect to assist the City in the development of a Street Tree Planting Plan in coordination with the Community Advisory Commission's goal of tree planting along the City's boundaries and primary gateway locations. In addition, the applicant will fund the initial planting of trees identified in the Street Tree Planting Plan. The proposed value of the development of the Street Tree Planting Plan and initial tree planting is estimated at \$30,000. Staff included a Condition of Approval requiring the development of the Street Tree Plan and funding of the initial planting (see Attachment J, Condition No. 76). In addition, a draft scope of work for the development of the plan is included in Attachment I.

Urgency Ordinance (240.2) Exception Request: On August 26, 2014, the City Council adopted Urgency Ordinance No. 240.2 which implemented water use restrictions. Specifically as it relates to this project, that ordinance prohibited the use of potable water for the installation of new landscape unless it is served by Reclaimed Water (5.07). Section 5.08 of the Urgency Ordinance allows the City Council to grant exceptions as needed. The subject site is not located immediately adjacent to reclaimed water and therefore they must use potable water for all on-site irrigation. All new developments, especially residential, need to provide landscaping and onsite amenities such as useable open space. Since potable water is the only source for irrigation and landscaping area is minimal, staff supports the exemption request and has included a condition requiring the applicant (permittee) to tie into reclaimed water should it become available at a future date. In addition, the amount of site landscaping is minimal and it complies with the Water Efficient Landscape Ordinance.

In summary, the Planning Commission found the proposed Vesting Tentative Map No. MT14-0002, Site Development Permit No. SD14-0014, Conditional Use Permit No. UP14-0023 and Planned Unit Development No. PD14-0002 consistent with the provisions of the General Plan and Milpitas Municipal Code. The proposed project develops the existing site with a use that is compatible with recent development and provides a transition to existing commercial bank uses.

Fiscal Impact: None.

Attachments in agenda packet:

Attachment A - Adopted Planning Commission Resolution No. 14-036

Attachment B - Project Plans

Attachment C - Planning Commission Meeting Minutes November 12, 2014

Attachment D - Letter from 75 S. Milpitas Tenants

Attachment E - Exhibit to Attachment D

Attachment F - Letter from Applicant November 20, 2014

Attachment G - Live-Work Unit Zoning – Municipal Code Section XI-10-13.13

Attachment H - Tenant Status Letter

Attachment I - Draft Scope - Master Street Tree Planting Plan

Attachment J - Draft City Council Resolution

Recommendations:

1. Conduct a public hearing, and move to close the hearing following any comments.
2. Per Planning Commission's recommendation, adopt a resolution approving Vesting Tentative Map No. MT14-0002, Site Development Permit No. SD14-0014, Conditional Use Permit No. UP14-0023 and Planned Unit Development No. PD14-0002 for a 25 townhouse development multi-family residential subdivision, based on findings and subject to conditions of approval.
3. **Conduct a Public Hearing and Adopt a Resolution Approving a General Plan Amendment to Create a "Greenhouse Gas Emissions Reduction Strategy" Section within the Land Use Element of the City's General Plan Relating to the Adopted Climate Action Plan (Staff Contact: Adam Petersen, 408-586-3274)**

Background: On May 7, 2013, the City Council adopted Resolution No. 8252 approving the City's Climate Action Plan. Because of the four-time-per-year limitation to Land Use Element amendment of the General Plan, this item was deferred to be grouped with other General Plan land use amendments. The proposed Greenhouse Gas Emissions Reduction strategy provides a description of the adopted Climate Action Plan, its purpose and goals. The proposed amendment incorporates the adopted Climate Action Plan, reduction measures, and implementation strategies the City is currently using to achieve the State recommended greenhouse gas emissions reduction target of 15 percent below 2005 emissions levels by 2020. With complete implementation of the Climate Action Plan, the City will experience a reduction of 16.2 percent in greenhouse gas emission, which is above the 15 percent target.

California Environmental Quality Act: The City Council previously adopted Resolution No. 8252 on May 7, 2013 approving the Negative Declaration for the Climate Action Plan. The proposed General Plan Amendment is within the scope of the adopted resolution and no further environmental review is required for this action.

Fiscal Impact: None.

Attachments in agenda packet:

Attachment A – draft City Council Resolution

Attachment B – General Plan Amendment

Attachment C – adopted Council Resolution No. 8252

Attachment D – Climate Action Plan Negative Declaration

Recommendations:

1. Conduct a public hearing, and move to close the hearing following any comments.
2. Adopt a Resolution approving General Plan Amendment No. GP13-0002 for a text amendment to create a section entitled “Greenhouse Gas Emissions Reduction Strategy” within the Land Use Element of the City’s General Plan relating to the City’s adopted Climate Action Plan (CAP).

XIII. UNFINISHED BUSINESS

- * 4. **Receive the Monthly Update of the Odor Control Report (Staff Contact: Steven Machida, 408-586-3355)**

Background: From November 7 through December 8, 2014, the Bay Area Air Quality Management District (BAAQMD) received thirty-five odor complaints originating in Milpitas. Twelve complaints identified a garbage odor, four complaints identified a sewage odor, and nineteen complaints did not identify an odor source. As of the last Council update, the City’s odor reporting website has received forty-seven reported complaints.

Recommendation: Receive the odor report update.

XIV. REPORTS OF MAYOR

- * 5. **Consider Mayor’s Recommendations for Re-appointments and Appointments to Milpitas Commissions including Planning Commission (Contact: Mayor Esteves, 408-586-3029)**

Background: Mayor Esteves recommends the following re-appointments and appointments:

Community Advisory Commission:

Re-appoint Oscar Leon as a regular member to a term that will expire in January 2019.

Re-appoint Ashish Kathapurkar as Alternate No. 2 to a term that will expire in January 2017.

Emergency Preparedness Commission:

Appoint current Alternate No. 1 Evelyn Chua as a regular voting member to a term that will expire in June 2015.

Appoint current Alternate No. 2 Jonathan Nakapalau as Alternate No. 1 to a term that will expire in June 2015.

Newly appoint Christine Tran as Alternate No. 2 to a term that will expire in June 2015.

Planning Commission:

Move current Alternate Member Hon Lien up to become a regular voting member on the Commission into a term that will expire in December of 2015.

Newly appoint Ray Maglalang as a regular voting member to a term that will expire in December of 2017.

Newly appoint Zeya Mohsin as the Alternate Member to a term that will expire in December of 2015.

Senior Advisory Commission:

Re-appoint Debra Langley as a regular member to a term that will expire in December 2016.

Re-appoint Willy Wong as Alternate No. 2 to a term that will expire in December 2016.

Telecommunications Commission:

Re-appoint William Lam as a regular member to a term that will expire in January 2017.

Re-appoint M. Idrees Munir as a regular member to a term that will expire in January 2016.

Appoint current Alternate No. 1 Ernesto Bautista as a voting member to a term that will expire in January 2017.

Appoint current Alternate No. 2 Anh Bao as Alternate No. 1 to a term that will expire in January 2017.

Newly appoint Stephan Tang as Alternate No. 2 to a term that will expire in January 2016.

Copies of Commission applications are included for those with new appointees recommended, and from other applicants on file.

Recommendation: Receive Mayor's recommendations and move to approve appointments and re-appointments to Milpitas Commissions, including Planning Commission.

* **6. Approve Mayor's Recommendation for Staff Alternates to Voting Members on the Milpitas Oversight Board (Staff Contact: Mary Lavelle, 408-586-3001)**

Background: Mayor Esteves recommends that two staff members serve as alternates to the two voting members of the Oversight Board. Presently, Assistant City Manager/Finance Director Emma Karlen and resident Althea Polanski are voting members, appointed by the City Council, on that board. Finance Manager Jane Corpus presently is an appointed alternate to Mrs. Karlen. Due to recent staff retirement, a new second alternate is necessary, and the Mayor recommends that Planning & Neighborhood Service Director Steve McHarris serve in that capacity.

Recommendation: Per the Mayor's recommendation, appoint both Jane Corpus and Steve McHarris as staff alternates to either voting member on the Milpitas Oversight Board.

XV. NEW BUSINESS

* **7. Approve a New Capital Improvement Program Project for Main Street Pavement Reconstruction, a Budget Appropriation and Authorize the City Manager to Execute a Consultant Agreement with HMM Engineers for Project No. 4277 (Staff Contact: Steve Erickson, 408-586-3301)**

Background: The Main Street Pavement Reconstruction project is included in the 2014-2019 Capital Improvement Program approved by the City Council in May of 2014. The project could not be funded until a Finding of Completion related to the dissolution of the former Redevelopment Agency (RDA) had been issued by the State of California, which has taken place and funds are now available to be used.

The project will provide for the partial reconstruction of South Main Street from Carlo Street to Great Mall Parkway. The work includes the removal and replacement of roadway pavement, the installation of new Americans with Disabilities Act (ADA) sidewalk ramps, curb, gutter, sidewalk, and driveway repairs, drainage system improvements, and replacement of missing street trees.

The asphalt overlay of Serra Way and Corning Avenue from South Main Street to Abel Street is also included. The project will be funded from the remaining proceeds from the sale of the 1997 and 2003 Milpitas Redevelopment Agency (RDA) Tax Allocation Bonds. Staff requests the City Council approve the Capital Improvement Program (CIP) project, and authorize funding of the project with the necessary budget appropriation.

Staff also requests the approval of an agreement with HMH Engineers, to provide field surveying, preparation of plans and specifications for public bidding, and construction administration support for the improvements to reconstruct South Main Street. Through the City's consultant selection process, HMH Engineers has been selected to provide the design services for the Main Street Pavement Reconstruction, Project No. 4277. Staff negotiated a scope and fee for these services not to exceed \$225,000.

California Environmental Quality Act: The project is exempt under Section 15301 (Existing Facilities) of the CEQA Guidelines.

Fiscal Impact: A budget appropriation is requested in the amount of \$3,468,000 from the 2003 RDA Tax Allocation Bonds and \$528,000 from the 1997 RDA Tax Allocation Bonds to fund the Main Street Pavement Reconstruction, Project No. 4277.

Recommendations:

1. Approve a new CIP Project, Main Street Pavement Reconstruction - Project No. 4277.
2. Approve a budget appropriation of \$3,468,000 from the 2003 RDA Tax Allocation Bonds and \$528,000 from the 1997 RDA Tax Allocation Bonds to the Main Street Pavement Reconstruction, Project No. 4277.
3. Authorize the City Manager to execute an agreement with HMH Engineers in the amount of \$225,000 and for a term from January 6, 2015 to December 31, 2015 for the Main Street Pavement Reconstruction, Project No. 4277.

XVI. RESOLUTIONS

- * **8. Adopt a Resolution Granting Final Acceptance of the 2013 Sound Wall Renovation Project No. 4267 (Staff Contact: Steve Erickson, 408-586-3301)**

Background: This project was initially accepted on December 3, 2013 and has passed the one-year warranty period. A final inspection of the installed public improvements has been made and the work was found to be satisfactory. The project provided for the repair and painting of City-owned sound walls located along the easterly side of Milpitas Boulevard, from Escuela Parkway to Tramway Drive. Staff recommends the City Council grant final project acceptance of the 2013 Sound Wall Renovation, Project No. 4267 and releases the contractor's bond.

Recommendation: Adopt a resolution granting final acceptance of the 2013 Sound Wall Renovation, Project No. 4267 and release of the contractor's bond.

- * **9. Adopt a Resolution Approving Appraisal Reports and Establishing the Fair Market Value of an Acre of Land for the Purpose of Calculating Park In-Lieu Fees for Areas Outside the Transit Area and Midtown Specific Plans and for Areas Inside the Transit Area Specific Plan and Midtown Specific Plan (Staff Contact: Adam Petersen, 408-586-3274)**

Background: The City requires dedication of parkland, payment of park in-lieu fees, or a combination thereof from developers to help mitigate the impact of new residential development. If the City requires a developer to pay a fee in lieu of parkland dedication, the amount of the in-lieu fee is based, in part, on current Milpitas real estate value that is updated annually based on a fair market value appraisal. Because property values are significantly different outside of the City's two specific plan areas, the City maintains a separate park in-lieu fee for development outside those plan areas and inside those plan areas. The previous valuations for the two specific plan areas and for areas outside of the specific plan areas were completed in 2013.

The appraisal firm Smith & Associates completed the annual evaluation of the average value of land within the City for use in calculating park in-lieu fees for new residential projects. According to the City's Subdivision Ordinance, where City requires payment of a fee in lieu of park dedication, the estimated amount of the fee is based upon the fair market value determined at the time of filing of a final subdivision map. Pursuant to the City's Subdivision Ordinance, the fair market value is determined by the City Council on an annual basis. At any time, the City Council may adjust the fair market value determination to more accurately reflect current real estate market conditions. If a developer objects to the fair market value established by the City Council, the developer may obtain its own appraisal for the City Council review and approval or the City and developer may agree on a fair market value.

According to the Smith & Associates appraisal report dated December 15, 2014, the fair market value of land outside of the two specific plan areas is \$53 per square foot or \$2,308,680 per acre. There is a slight increase from the last valuation of \$51 per square foot or \$2,221,560 per acre. Similarly, the fair market value of the land inside the Midtown and Transit Area Specific Plan is \$64 per square foot or \$2,787,840 per acre. This is an increase from the last valuation of \$59 per square foot or \$2,570,040 per acre.

Fiscal Impact: None.

Recommendation: Adopt a resolution approving the appraisal reports, and establishing the fair market value of land in the City of Milpitas outside the Transit Area Specific Plan and Midtown Specific Plan to be \$53 per square foot or \$2,308,680 per acre, and for land in the City of Milpitas inside the Transit Area Specific Plan and Midtown Specific plan to be \$64 per square foot or \$2,787,840 per acre for the purpose of calculating park in-lieu fees, effective on January 7, 2015.

XVII. AGREEMENTS

- * **10. Approve a Consultant Agreement with Cannon Design Group, Inc. to Provide Design Review Services on an As-Needed Basis (Staff Contact: Steven McHarris, 408-586-3273)**

Background: The City of Milpitas is experiencing an increase in significantly complex development projects within the City and particularly within the Transit Area Specific Plan area. The Planning and Neighborhood Services Department is requesting approval from the City Council to enter into a consultant agreement Cannon Design Group, Inc. for high quality design review services effective on January 6, 2015 to January 5, 2018 in the annual amount of \$50,000. The services provided will aid staff in streamlining of the development review process and ensure that the planning and economic development of the City of Milpitas proceeds as envisioned by the City Council. Design review services from Cannon Design Group are incorporated seamlessly into the City's design review process.

Fiscal Impact: None. Design review services will be fully paid from the Project Job accounts of the development projects being processed.

Recommendations:

1. Approve a consultant agreement with Cannon Design Group for design review services on an as-needed basis for the term from January 6, 2015 to January 5, 2018 in the annual amount of \$50,000.
 2. Approve an appropriation in the amount of \$50,000 to the Planning and Neighborhood Services Department Fiscal Year 2014-15 operating budget.
- * **11. Approve Consultant Agreements with EOA Inc. and CSG Consultants, Inc. for Third Party Review of Development Projects for Compliance with the Municipal Regional Permit Provision C.3 for an Annual Amount Not-To-Exceed \$60,000 Each and Approve a Budget Appropriation (Staff Contact: Steven Machida, 408-586-3355)**

Background: Development projects, within the City of Milpitas, are subject to State law stormwater requirements including Provision C.3 of the City's Stormwater NPDES permit. EOA Inc, and CSG Consultants will assist the City by conducting third party review of development projects related to stormwater control plans for compliance with State law and Provision C.3 of the City's Stormwater Municipal Regional Permit. Tasks will include regulatory review of project development stormwater control submittals, including but not limited to Special Projects eligibility, review of design criteria and sizing calculations, review of applicant procedures and to confirm compliance with City municipal codes and policies. The results of each regulatory review will be summarized and documented, including conclusions regarding compliance and recommendations for further action by the City. The work for the City will be performed on an on-call basis. These two firms were selected through a competitive process. The contract will begin on January 6, 2015 and expire on January 5, 2017.

California Environmental Quality Act: This agreement is exempt from CEQA as there will be no physical change to the environment.

Fiscal Impact: None. Funds for the development project work will be reimbursed by developers through their private job accounts. The not-to-exceed annual budget for completion of all reviews, within this scope of work is \$60,000 for each proposed agreement. A budget appropriation is required even though costs are fully reimbursable by the development projects.

Recommendations:

1. Approve two separate consultant agreements with EOA Inc, and CSG Consultants, Inc., for third party review of development projects for compliance with the Municipal Regional Permit (MRP) Provision C.3 for an annual amount not-to-exceed \$60,000.00 and for a term from January 6, 2015 to January 5, 2017.
2. Approve a budget appropriation in the amount of \$120,000 in the Engineering Operating Budget for Fiscal Year 2014-15.

**NEXT REGULARLY SCHEDULED COUNCIL MEETING:
TUESDAY, JANUARY 20, 2015**